



FOR IMMEDIATE RELEASE

Jan. 13, 2011

## **MAYOR JERRY SANDERS FACT SHEET**

### **MAYOR EXPANDS MANAGED COMPETITION**

*Private Sector Will Compete For Street Sweeping, Pot-Hole Repairs, More*

Mayor Jerry Sanders promised Thursday to continue his relentless push for greater government efficiency by allowing the private sector to compete with city employees for work in three areas: 1) street sweeping; 2) street and sidewalk maintenance and 3) public utilities.

The mayor's latest initiative means the city will now undergo the managed-competition in five separate areas. Last year the mayor began the managed-competition process for the city functions of publishing services and fleet maintenance.

"We don't know yet how much money we can save with this latest initiative," the mayor said. "But we owe it to the citizens to see whether we can cut our costs -- and if so, by how much."

The potential for savings is certainly large. Last year the city sought private bids for some of its information-technology functions, cutting those expenses nearly in half.

City street sweeping has a budget of \$4.5 million, with 32 full-time employees. The mayor set a target date of October 1 for the city to issue requests-for-proposals to the private sector for street sweeping.

City street and sidewalk maintenance has a budget of \$14.3 million, with 102 full-time employees. The scope of responsibilities includes, among other things, patching pot holes, sealing cracks in the street, repairing sidewalks damaged by tree roots, painting traffic lines on streets, maintaining street signs and performing maintenance on curbs and gutters. Sanders set a target date of November 1 for the city to issue requests-for-proposals to the private sector for street and sidewalk maintenance.

Although the city's Public Utilities Department includes everything from sewage treatment to water delivery, the mayor will focus initially on three areas in the customer-service department:

the call center, remittance process, and billing and collections. Combined, these three functions have 52.5 full-time employees and a budget of more than \$6.3 million.

The Public Utilities Department is an enterprise fund, meaning San Diegans' water and sewer bills finance virtually the entire operation. So cutting costs in this department won't reduce the city's general-fund deficit but could help address the problem of skyrocketing water bills.

"I can't make any guarantees about lowering water bills because, quite frankly, the price of water in San Diego is largely out of our control," the mayor said. "Like the citizens of San Diego, our water department is at the mercy of its water wholesalers and Mother Nature."

The mayor added, "As mayor, I have two choices: I can throw up my hands or I can do everything in my power to make sure each penny in our Public Utilities Department is spent wisely."

The mayor set a target date of November for the city to issue requests for proposals to the private sector for the Public Utilities' three customer-service functions.

Since taking office in 2005, Mayor Sanders has taken aggressive action to reform city government. He instituted a top-down restructuring of every city department, eliminated more than 1,400 positions, implemented compensation reductions for city employees and created a less costly pension system. To date, Sanders' reform measures have produced a taxpayer savings of more than \$180 million a year.

# # #